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Of Attorneys for Defendants

16 17 16 SEF 13 12 4 Ses 10-0RF

UNITED STATES DISTRICT COURT

DISTRICT OF OREGON

ALLEN HAMILTON and LOIS
HAMILTON husband and wife,

Plaintiffs,

CV '09 - 1094 - SU

DEFENDANTS'
NOTICE OF REMOVAL

vs.

SILVEN, SCHMEITS & VAUGHAN, P.C., an Oregon Professional Corporation, and ALAN J. SCHMEITS,

Defendants.

Please take notice that Defendants Silven, Schmeits & Vaughan, P.C. and Alan J. Schmeits hereby remove this action from the Circuit Court of the State of Oregon for the County of Baker to the

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#29111

United States District Court for the District of Oregon.

- 1. Defendants are parties in a civil action brought against them in the Circuit Court of the State of Oregon for the County of Baker, entitled: Allen Hamilton and Lois Hamilton v. Silven Schmeits & Vaughan, P.C. and Alan J. Schmeits, Case No. 09-479. A copy of the Summons, Complaint and Motion to Disqualify the Honorable Russell B. West in that action is attached to this notice and constitutes all process, pleadings, and orders served on defendants in that action up to the present date.
- 2. The state court action was commenced when the Complaint was filed with the county clerk for Baker County, Oregon, on or about July 23, 2009. A copy of the Summons and Complaint was served on August 18, 2009, by personal service on Alan J. Schmeits. Defendants have filed no pleadings in this cause. This Notice of Removal is filed within 30 days after service of process.
- 3. The state court action is a controversy between citizens of different states. When the Summons and Complaint were served, Plaintiffs were, and now are, citizens of the State of Washington; Defendant Alan Schmeits was, and now is, a citizen of the State of Oregon; and Silven Schmeits & Vaughan, P.C. was, and now is, an Oregon Professional Corporation with its principal place of business in Baker County, Oregon.
- 4. This is an action of civil nature over which this Court has original jurisdiction pursuant to 28 USC \$1332(a), in that it

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is a suit for damages on account of alleged legal malpractice in which the matter in controversy exceeds the sum of \$75,000, exclusive of interest and costs and is between citizens of different states.

5. This notice is signed pursuant to FRCP 11.

DATED this 4 day of September, 2009.

YTURRI ROSE, LLP

Princij. Jagelski OSB #90304 Carl Burnham, Fr., OSB #64008 Telephone: 541/889-5368

Telephone: 541/889-5368 Of Attorneys for Defendants Document 1 Filed 09/15/09 Page 4 of 12 Page ID#: 4

Silven, Schmeits & Vaughan, P.C. and was acting at all times in the scope of that employment.

3.

Venue is appropriate in this county because the cause of action arose in this county.

COMPLAINT Page 1 -

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4.

Plaintiffs own certain real property in Baker County, Oregon that borders property owned by Edward and Patricia Elms, Trustees of the Elms Family Trust ("the Elms"). In August 2006 the Elms filed a lawsuit against Plaintiffs, entitled Edward and Patricia Elms, Trustees of the Elms Family Trust, Plaintiffs, v. Allen Hamilton and Lois Hamilton, husband and wife, Defendants, v. American General Finance, Inc., a Washington Corporation, Co-Defendant, Baker County Circuit Court Case No. 06-529, asserting claims of ejectment and trespass and seeking a declaratory judgment fixing the property boundary and an injunction prohibiting further encroachments on the Elms property.

5.

Plaintiffs retained Defendants to represent them in the lawsuit. Defendants received valuable consideration to represent Plaintiffs and undertook to do so. In October 2006, Defendants filed eight separate counterclaims against the Elms on Plaintiffs' behalf. The Elms filed numerous motions for summary judgment which the court heard on August 22, 2007.

6.

Following the hearing, the court granted the large majority of the Elms' summary judgment motions, with the result that all of Plaintiffs' counterclaims against the Elms were dismissed, and the Elms prevailed on their claims for relief.

7.

On September 10, 2007, before the action was fully resolved, Defendants filed a motion to withdraw as Plaintiffs' attorneys of record, which the court allowed on September 12, 2007, giving Plaintiffs 14 days to obtain new counsel and file an amended answer and counterclaim. Defendants failed to promptly notify Plaintiffs of their intention to withdraw or of the court's order allowing them to withdraw.

Page 2 - COMPLAINT

Count 1 (Breach of Contract):

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Plaintiffs incorporate by reference all preceding averments as if fully set forth herein.

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At the time Plaintiffs hired Defendants, Plaintiffs and Defendants entered into an attorney-client contract. An implied term of the contract was that Defendants would provide Plaintiffs with reasonably competent representation.

10.

Plaintiffs fully performed all of their obligations under the terms of the parties' contract and all conditions precedent to Defendants' obligations occurred.

11.

Defendants breached the contract by:

- a. Failing to adequately investigate the facts of the case, including failing to interview all witnesses with knowledge of the facts who would have provided favorable testimony.
- b. Failing to file a timely response to the Elms' motions for summary judgment supported by affidavits, declarations, and other supporting documents made on personal knowledge and setting forth facts that would be admissible in evidence showing that there were genuine issues of material fact for trial as required by ORCP 47.
- c. Failing to keep Plaintiffs reasonably informed of the status of the case, failing to provide to and review with Plaintiffs all of the evidence in the case, failing to promptly comply with Plaintiffs' reasonable requests for information, and failing to adequately advise Plaintiffs of the strengths and weaknesses of the case.

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1 Withdrawing without any basis for good cause, without notifying Plaintiffs or d. 2 giving them an opportunity to be heard, and without taking steps to the extent 3 reasonably practicable to protect Plaintiff's interests. 4 12. 5 As a direct result of Defendants' breach of contract, Plaintiffs have suffered economic 6 damages in the amount of \$300,000. 7 Count 2 (Professional Negligence): 8 13. 9 Plaintiffs incorporate by reference all preceding averments as if fully set forth herein. 10 11 14. 12 Defendants' representation failed to satisfy the professional standard of care in the 13 particulars listed in paragraph 12, above, each act or failure to act being foreseeable that 14 damage to Plaintiffs would occur. 15 15. 16 As a direct result of Defendants' negligence, Plaintiffs have suffered economic 17 damages in the amount of \$300,000. 18 19 WHEREFORE, Plaintiffs pray for judgment in their favor and against Defendants for 20 economic damages in the amount of \$300,000, for Plaintiffs' costs and disbursements, and for 21 such other relief as the Court deems just and equitable. 22 Dated this 23day of July, 2009 23 24 25 Charles M. Simmons, OSB #02455

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Attorney for Plaintiffs

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1 2 3 4 5 6 7 IN THE CIRCUIT COURT OF THE STATE OF OREGON 8 FOR THE COUNTY OF BAKER 9 ALLEN HAMILTON and LOIS HAMILTON, 10 husband and wife, Case No. 09-479 11 Plaintiffs, **SUMMONS** 12 VS. 13 SILVEN, SCHMEITS & VAUGHAN, P.C., an 14 Oregon Professional Corporation, and ALAN J. SCHMETTS, 15 Defendants. 16 17 18 TO: Silven, Schmeits & Vaughan, P.C. 1950 3rd Street 19 Baker City, OR 97814 20 You are hereby required to appear and defend the Complaint filed against you in the aboveentitled cause within thirty (30) days from the date of service of this Summons upon you, and in case of 21 your failure to do so, for want thereof, Plaintiff will apply to the Court for the relief demanded in the 22 Complaint. 23 111 24 25 26

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NOTICE TO DEFENDANT: READ THESE PAPERS CAREFULLY! 2

You must "appear" in this case or the other side will win automatically. To "appear," you must file with the Court a legal paper called a "Motion" or au Answer." The "Motion" or "Answer" must be given to the court clerk or administrator within thirty (30) days along with the required filing fce. It must be in proper form and have proof of service on the Plaintiff's attorney or, if the Plaintiff does not have an attorney, proof of service on the Plaintiff.

If you have any questions, you should see an attorney immediately. If you need help in finding an attorney, you may call the Oregon State Bar's Lawyer Referral Service at (503) 684-3763 or tollfree in Oregon at (800) 452-7636.



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Telephone: (541) 881-0477 Facsimile: (541) 881-0479 Attorney for Plaintiff

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25 26 STATE OF OREGON

) ss. County of Malheur

I, the undersigned attorney of record for the Plaintiff, certify that the foregoing is an

exact and complete copy of the original Summons in the above-entitled cause.

Charles M. Simmons, OSB No. 02455 Attorneys for Plaintiff

TO THE OFFICER OR OTHER PERSON SERVING THIS SUMMONS: You are hereby directed to serve a true copy of this Summons, together with a true copy of the Complaint mentioned therein, upon the individual(s) or other legal entity(ies) to whom or which this Summons is directed, and to make your proof of service on the reverse hereof or upon a separate similar document which you shall attach hereto.

> Charles M. Simmons, OSB No. 02455 Attorneys for Plaintiff

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